

Proposed Rate Adjustments for Water and Wastewater Services



The City of San Buenaventura (Ventura) is proposing water, wastewater, and water shortage rate structure changes and increases for Ventura Water customers. You are receiving this notice in compliance with Proposition 218, which requires the City to inform property owners and water and wastewater customers that proposed rate increases are being considered. Rate adjustments are based on an updated Cost of Service Study conducted by City staff and financial experts, with input from the City's Water Commission. The rate recommendations were presented to Ventura's City Council on March 22, 2021. The Cost of Service Study and information regarding this public process is available at www.VenturaWaterRates.net.

PUBLIC HEARING ON PROPOSED RATE ADJUSTMENTS

DATE:
Monday,
May 17, 2021

TIME:
6:00 PM

LOCATION:
Virtual City Council Meeting
JOIN:
www.CityofVentura.ca.gov
under **Agenda Center**



The Public Hearing before City Council will cover proposed rate increases and rate structure changes for water and wastewater services, and proposed water shortage surcharge increases and structure changes.

If adopted, the proposed rate adjustments would become effective July 1, 2021. All interested persons are invited to appear at the time and place specified to give oral or written testimony, as well as written protests, regarding the proposed rates adjustments. Details on the written protest process can be found on the final page of this Notice.

Approximately every five years, the City must evaluate water and wastewater rates to ensure sufficient revenue is available to provide safe and reliable service. Results of the Rate Study recommended some changes to water, wastewater, and water shortage rate structures, and showed that an annual rate increase of seven percent for water service and six percent for wastewater service is needed in each of the next five years to continue to operate and maintain the systems, repair and replace aging infrastructure, secure our water supply, improve water quality, meet legal and environmental regulations, and keep up with increases in costs. Details regarding the proposed rate structure changes and increases are detailed on the following pages and in the Cost of Service Study available on www.VenturaWaterRates.net.

What are the proposed rate changes?

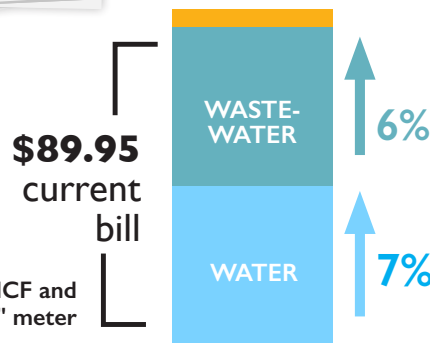
Beginning in July 2021, the average household will see an average annual increase of \$7.76 on their monthly bill for the next five years.

Learn more about Ventura's proposed rate adjustments on page 4, including examples across residential and non-residential customer classes.



+\$7.76

average monthly
increase on annual
basis over 5 years



Ver en español. Escanee aquí para ver la Notificación de la Propuesta 218 sobre los Ajustes de Tarifas Propuestos para el Servicio de Agua y Aguas Residuales en español. Los clientes pueden solicitar una notificación impresa en español llamando al teléfono de Atención al Cliente de Ventura Water al (805) 667-6500.

Virtual Community Open Houses ON PROPOSED RATE ADJUSTMENTS

Learn more and share your input.

6PM Monday, April 19, 2021

6PM Wednesday, April 28, 2021

Learn more at www.VenturaWaterRates.net



Responsible investment is needed now



Secure water supply

Frequent and prolonged droughts have put Ventura's 100% local water sources at risk. Innovative solutions are needed to secure future water supplies.



Improve water quality

Our groundwater is high in total dissolved solids and sulfate. Proposed projects and facility upgrades will improve water quality.



Meet regulatory requirements

Ventura is required to comply with a series of environmental regulations and legal mandates, including reducing treated wastewater discharge into the Santa Clara River Estuary.



Repair and replace aging infrastructure

Much of Ventura's water and wastewater infrastructure is over 60 years old and needs to be replaced.

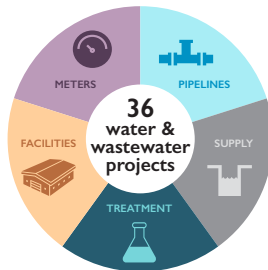
How were rate changes determined?



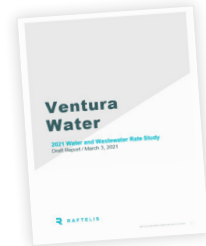
Any changes to how Ventura's water and wastewater rates are structured involves a deliberate series of steps to ensure that rates remain affordable, fair, and equitable.



First, future demands on our water and wastewater systems are projected, as well as water quality impacts, potential risks to system reliability, and anticipated changing conditions related to climate impacts.



Next, specific water and wastewater infrastructure improvements are prioritized. These projects support near- and long-term needs, from regular system operations and maintenance needs to forward-looking investments that improve water quality and meet supply needs.



Finally, a third-party rate consultant leads a Rate Design Study in partnership with City staff and the Ventura Water Commission. The Study designs a rate framework that recovers the utilities' costs across different customer classes and sub-classes.

Collaboration and transparency



Over the past year, Ventura Water and the Water Commission have worked to keep our community informed about the proposed changes and listened to your concerns and questions along the way.



8 Water Commission Meetings



All-customer mailer & bill insert



500+ Residents Surveyed



30+ Social Media Posts



20+ Community Presentations



10 Email Newsletters



4 Videos



20+ Frequently Asked Questions



10 News Articles



Rates Engagement Website

2020-2026 Water and Wastewater Priorities

Over the next six years, Ventura Water will make significant investments in our water and wastewater systems. More than 36 priority projects totaling \$400 million were identified for implementation by 2026.

Your rates at work

The City must continually invest in our water and wastewater assets to maintain safe and reliable services.

The projects highlighted below are just two of the many multi-benefit projects underway to ensure reliable, high-quality water and wastewater service in Ventura for decades to come.

State Water Interconnection Project

The State Water Interconnection Project will expand Ventura's water supplies by importing water we already own but lack the infrastructure to access.

PROJECT HIGHLIGHTS

- A new 7-mile pipeline will allow access to State Water that the City has had rights to since the 1970s but lacked the infrastructure to utilize.
- This replacement water supply will help address anticipated reductions to Ventura's existing local water sources and improve disaster resiliency.

STATUS: This project is currently in design stages with construction anticipated to begin in 2023.

VenturaWaterPure

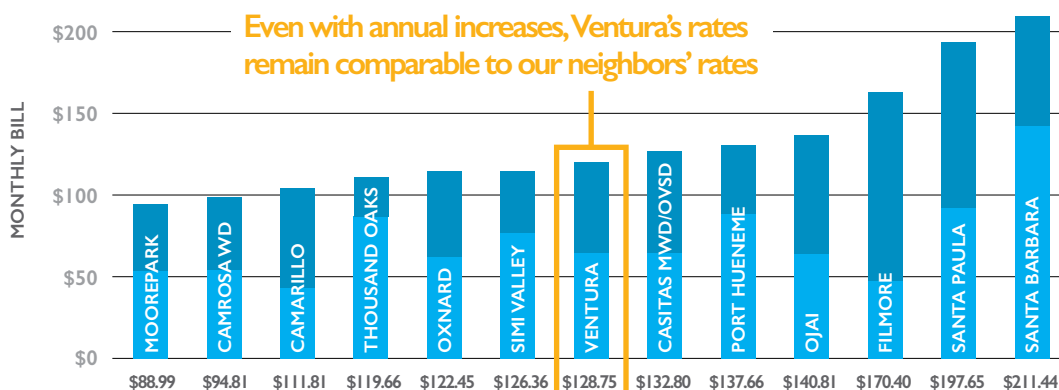
VenturaWaterPure will recover, purify, and reuse water that is currently discharged to the Santa Clara River Estuary, creating a new drought-proof local water supply.

PROJECT HIGHLIGHTS

- A new advanced water treatment facility will treat water that is currently discharged to the Santa Clara River Estuary to drinking water standards for groundwater injection.
- VenturaWaterPure will create a new, locally owned supply that is drought-proof.

STATUS: The project is currently in the design stage with construction anticipated to begin in 2023.

Monthly bill for single family residential customers, 9 HCF per month



*Assumes 3.5% annual increase for all other agencies

PROPOSED 2025 WATER & WASTEWATER BILLS

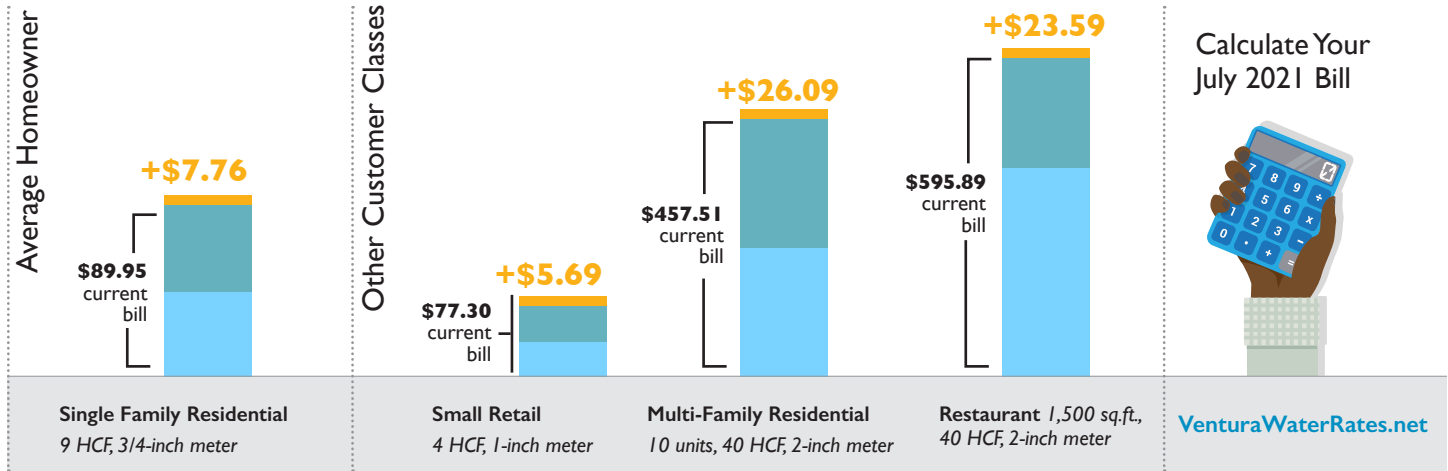
Ventura's rates through 2025 remain comparable to regional rates

What can I expect with the revised rates?

Starting in July 2021, customers will see changes to their water and wastewater bill. These changes include new water and wastewater rates, a more precise method for calculating wastewater charges, and monthly billing.

1 Rate changes to meet our community's short- and long-term needs

Example rate impacts shown below are anticipated average monthly increases. Monthly bills are estimated to increase on average by the amounts shown below, each year for five years, from July 2021 through 2026.

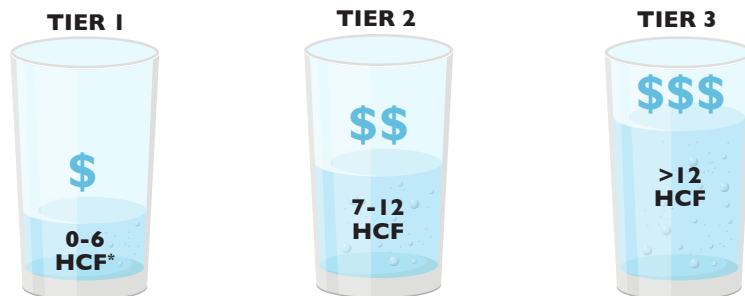


2 Expanded Tier 1 to improve affordability for low water users

Tier 1 water rates will expand to improve affordability for low-volume water use up to 6 HCF, versus the current 3 HCF.

Today, 21 percent of customers stay within Tier 1. Under the proposed rates, about 50 percent of residents will be able to stay in Tier 1, assuming the same amount of usage.

**Low-volume tier expanded to 6 HCF for Single Family Residential customers*



Supports essential water needs

far beyond essential needs

3 Monthly Billing

Today, customers are billed every two months. Starting in July, customers will be billed on a monthly basis with a newly designed bill.



4 More precise wastewater charges

Elimination of the wastewater determination period (February through April) means that variable wastewater charges will be based on monthly water use up to a maximum cap, instead of based on use only during winter months.

Proposed Water Rates

Monthly Water Service Charge

METER SIZE	CURRENT	JULY 2021	JULY 2022	JULY 2023	JULY 2024	JULY 2025
3/4"	\$16.85	\$18.50	\$19.79	\$21.18	\$22.66	\$24.25
1"	\$25.52	\$27.16	\$29.06	\$31.09	\$33.27	\$35.59
1.5"	\$47.19	\$48.80	\$52.21	\$55.87	\$59.78	\$63.96
2"	\$73.21	\$74.77	\$80.00	\$85.60	\$91.60	\$98.01
3"	\$155.59	\$157.02	\$168.01	\$179.77	\$192.35	\$205.81
4"	\$276.99	\$278.22	\$297.69	\$318.53	\$340.83	\$364.69
6"	\$567.49	\$568.24	\$608.01	\$650.57	\$696.11	\$744.84
8"	\$1,044.42	\$1,044.39	\$1,117.50	\$1,195.72	\$1,279.42	\$1,368.98
10"	\$1,651.43	\$1,650.40	\$1,765.93	\$1,889.54	\$2,021.81	\$2,163.34
12"	\$2,171.72	\$2,169.84	\$2,321.73	\$2,484.25	\$2,658.14	\$2,844.21

Monthly Fire Line Service Charge - Single Family Residential

CONNECTION SIZE	CURRENT	JULY 2021	JULY 2022	JULY 2023	JULY 2024	JULY 2025
1"	\$4.40	\$3.58	\$3.83	\$4.10	\$4.39	\$4.69

Monthly Fire Line Service Charge - All Other Customer Classes

A change in the water structure for Fire Line Service Charges is to separate Single Family Residential from All Other Customer Classes.

CONNECTION SIZE	CURRENT	JULY 2021	JULY 2022	JULY 2023	JULY 2024	JULY 2025
1"	\$4.40	\$9.09	\$9.73	\$10.41	\$11.13	\$11.91
2"	\$4.40	\$9.09	\$9.73	\$10.41	\$11.13	\$11.91
3"	\$12.75	\$15.90	\$17.02	\$18.21	\$19.48	\$20.84
4"	\$27.15	\$27.65	\$29.59	\$31.66	\$33.88	\$36.25
6"	\$78.84	\$69.83	\$74.72	\$79.95	\$85.54	\$91.53
8"	\$168.01	\$142.58	\$152.56	\$163.24	\$174.66	\$186.89
10"	\$302.13	\$252.00	\$269.64	\$288.52	\$308.71	\$330.32
12"	\$488.01	\$403.66	\$431.92	\$462.15	\$494.50	\$529.11

Water Volume Rates (per Hundred Cubic Feet)

For residential customers, the current 4-tier rate structure will be modified to 3-tiers. Tier 1 is based on efficient indoor water use, Tier 2 includes average customer outdoor water demands, and Tier 3 is all usage greater than Tier 2.

The width of Tier 1 is expanding from 3 HCF to 6 HCF for Single Family Residential, and from 3 HCF to 5 HCF for Multiple Family Residential, which will improve affordability for low-volume water use.

Today, 21 percent of residential customers stay within Tier 1. Under the proposed rates, about 50 percent of residents will be able to stay in Tier 1, assuming the same amount of usage.

NOTES:

1. Multiple Family Residential tier allotments are per dwelling unit

CUSTOMER CLASS	CURRENT STAGE 2	JULY 2021	JULY 2022	JULY 2023	JULY 2024	JULY 2025
Single Family Residential						
Tier 1 (Current: 0-3 HCF / Proposed: 0-6 HCF)	\$2.77	\$2.92	\$3.13	\$3.34	\$3.58	\$3.83
Tier 2 (Current: 4-7 HCF / Proposed: 7-12 HCF)	\$3.12	\$4.82	\$5.16	\$5.52	\$5.90	\$6.31
Tier 3 (Current: 8-15 HCF / Proposed: >12 HCF)	\$4.62	\$6.24	\$6.67	\$7.14	\$7.64	\$8.17
Tier 4 (Current: >15 HCF / Proposed: N/A)	\$7.73	N/A	N/A	N/A	N/A	N/A
Multiple Family Residential ¹						
Tier 1 (Current: 0-3 HCF / Proposed: 0-5 HCF)	\$2.77	\$2.92	\$3.13	\$3.34	\$3.58	\$3.83
Tier 2 (Current: 4-5 HCF / Proposed: 6-10 HCF)	\$3.12	\$4.82	\$5.16	\$5.52	\$5.90	\$6.31
Tier 3 (Current: 6-8 HCF / Proposed: >10 HCF)	\$4.62	\$6.24	\$6.67	\$7.14	\$7.64	\$8.17
Tier 4 (Current: >8 HCF / Proposed: N/A)	\$7.73	N/A	N/A	N/A	N/A	N/A
Non-Residential	\$3.98	\$4.54	\$4.85	\$5.19	\$5.56	\$5.94
Non-Residential Irrigation	\$4.25	\$5.16	\$5.52	\$5.91	\$6.32	\$6.76
Institutional/Interruptible	\$3.29	N/A	N/A	N/A	N/A	N/A
Untreated Water	\$3.44	\$3.08	\$3.30	\$3.53	\$3.78	\$4.04
Reclaimed	\$0.95	\$1.16	\$1.23	\$1.31	\$1.38	\$1.47
County Surcharge						
All County Customers	\$0.60	N/A	N/A	N/A	N/A	N/A

Water Shortage Surcharge Rates

(per Hundred Cubic Feet)

Customers (excluding reclaimed water users) are subject to water shortage surcharge rates after notification of a formal water shortage stage declaration. Water Shortage Surcharges are applied when the City of Ventura is in a Stage 2 - Stage 6 Water Shortage Event. The proposed water shortage surcharge rates shown below would be charged in addition to the base water rates, and would appear as a line-item on the bill.

Proposed changes aim to simplify the water shortage rates and enhance customer understanding. Under the current shortage rates, the water volume rates increase with each water shortage stage beginning with Stage 2. Under the new structure, base water volume rates would remain the same for each Stage, but Water Shortage Surcharges would be added as a line-item on top of base rates to clearly communicate the shortage condition.

WATER SHORTAGE SURCHARGE RATES (PER HCF)	JULY 2021	JULY 2022	JULY 2023	JULY 2024	JULY 2025
Stage 1 (10% Voluntary Reduction)					
No Surcharge					
Stage 2 (10% Mandatory Reduction)					
Residential Tier 1	\$0.31	\$0.33	\$0.36	\$0.38	\$0.41
Residential Tier 2	\$0.51	\$0.55	\$0.59	\$0.63	\$0.67
Residential Tier 3	\$0.66	\$0.71	\$0.76	\$0.81	\$0.87
Non-Residential	\$0.48	\$0.52	\$0.55	\$0.59	\$0.63
Non-Residential Irrigation	\$0.55	\$0.59	\$0.63	\$0.67	\$0.72
Untreated Water	\$0.33	\$0.35	\$0.38	\$0.40	\$0.43
Stage 3 (20% Mandatory Reduction)					
Residential Tier 1	\$0.68	\$0.73	\$0.78	\$0.83	\$0.89
Residential Tier 2	\$1.12	\$1.19	\$1.28	\$1.37	\$1.46
Residential Tier 3	\$1.44	\$1.54	\$1.65	\$1.77	\$1.89
Non-Residential	\$1.05	\$1.12	\$1.20	\$1.29	\$1.38
Non-Residential Irrigation	\$1.20	\$1.28	\$1.37	\$1.46	\$1.57
Untreated Water	\$0.72	\$0.77	\$0.82	\$0.88	\$0.94
Stage 4 (30% Mandatory Reduction)					
Residential Tier 1	\$1.19	\$1.27	\$1.36	\$1.45	\$1.55
Residential Tier 2	\$1.96	\$2.09	\$2.24	\$2.39	\$2.56
Residential Tier 3	\$2.53	\$2.71	\$2.90	\$3.10	\$3.31
Non-Residential	\$1.84	\$1.97	\$2.11	\$2.25	\$2.41
Non-Residential Irrigation	\$2.09	\$2.24	\$2.40	\$2.56	\$2.74
Untreated Water	\$1.25	\$1.34	\$1.43	\$1.53	\$1.64
Stage 5 (40% Mandatory Reduction)					
Residential Tier 1	\$1.88	\$2.01	\$2.15	\$2.30	\$2.46
Residential Tier 2	\$3.09	\$3.31	\$3.54	\$3.79	\$4.05
Residential Tier 3	\$4.00	\$4.28	\$4.58	\$4.90	\$5.25
Non-Residential	\$2.91	\$3.12	\$3.33	\$3.57	\$3.82
Non-Residential Irrigation	\$3.31	\$3.55	\$3.79	\$4.06	\$4.34
Untreated Water	\$1.98	\$2.12	\$2.27	\$2.43	\$2.59
Stage 6 (50% Mandatory Reduction)					
Residential Tier 1	\$2.61	\$2.80	\$2.99	\$3.20	\$3.42
Residential Tier 2	\$4.31	\$4.61	\$4.94	\$5.28	\$5.65
Residential Tier 3	\$5.58	\$5.97	\$6.39	\$6.83	\$7.31
Non-Residential	\$4.06	\$4.34	\$4.65	\$4.97	\$5.32
Non-Residential Irrigation	\$4.62	\$4.94	\$5.29	\$5.66	\$6.05
Untreated Water	\$2.76	\$2.95	\$3.16	\$3.38	\$3.62

NOTES

1. Customers (excluding reclaimed water users) are subject to water shortage surcharge rates after notification of a formal water shortage stage declaration. The water shortage surcharge rates shown above would be charged in addition to the "base" water volume rates during a formally declared water shortage.

2. There are no water shortage surcharge rates during a Stage 1 Water Shortage (10% voluntary reduction).

Proposed Wastewater Rates

Changes to Wastewater Rate Structure

1. Single family residential wastewater customers are currently charged based on average winter water usage subject to a cap of 15 HCF per month. Charges beginning in July 2021 are to be based on water use each monthly billing period subject to a cap of 12 HCF per month.
2. Multiple family residential wastewater customers are currently charged based on average winter water usage subject to a cap of 12 HCF per month per dwelling unit. Charges beginning in July 2021 are to be based on water use each monthly billing period subject to a cap of 10 HCF per month per dwelling unit.
3. All wastewater customers currently see an Estuary Protection Charge on their bill. This will no longer appear as a line-item on a customer's bill. Funds will still be collected to maintain compliance with regulatory requirements.

CUSTOMER CLASS	CURRENT	JULY 2021	JULY 2022	JULY 2023	JULY 2024	JULY 2025
Single Family Residential						
Monthly Fixed Charge	\$12.84	\$15.91	\$16.86	\$17.87	\$18.94	\$20.08
Flow Charge (per HCF) ¹	\$3.76	\$3.75	\$3.97	\$4.21	\$4.46	\$4.73
Multiple Family Residential						
Monthly Fixed Charge (per dwelling unit)	\$9.51	\$11.73	\$12.43	\$13.17	\$13.97	\$14.80
Flow Charge (per HCF) ²	\$3.76	\$3.75	\$3.97	\$4.21	\$4.46	\$4.73
Commercial						
Monthly Fixed Charge	\$12.84	\$15.91	\$16.86	\$17.87	\$18.94	\$20.08
FLOW CHARGE (PER HCF)						
GROUP 1: Laundromats, car wash, professional offices, convalescent homes, wholesale establishments, offices, dining facilities, theaters, gyms, hospitals, grocery stores without garbage grinders	\$4.94	\$5.22	\$5.53	\$5.86	\$6.21	\$6.59
GROUP 2: Hotels and motels without dining facilities, commercial laundries	\$5.63	\$5.53	\$5.86	\$6.21	\$6.58	\$6.98
GROUP 3: Hotels with dining facilities	\$7.24	\$6.75	\$7.16	\$7.59	\$8.04	\$8.53
GROUP 4: Mortuaries, grocery stores with garbage grinders	\$8.94	\$8.05	\$8.53	\$9.04	\$9.59	\$10.16
GROUP 5: Bakeries, restaurants, multi-use shopping centers	\$7.94	\$7.44	\$7.88	\$8.36	\$8.86	\$9.39
GROUP 6: Plant nurseries	\$1.73	\$1.57	\$1.66	\$1.76	\$1.87	\$1.98
Churches						
Monthly Fixed Charge	\$12.84	\$15.91	\$16.86	\$17.87	\$18.94	\$20.08
Flow Charge (per HCF)	\$3.70	\$3.94	\$4.17	\$4.43	\$4.69	\$4.97
Schools						
Monthly Charge (per Average Daily Attendance)	\$100.64	\$104.80	\$111.09	\$117.76	\$124.82	\$132.31
Industrial						
Flow (per million gallons)	\$5,814.85	\$6,148.36	\$6,517.26	\$6,908.30	\$7,322.80	\$7,762.16
Chemical Oxygen Demand (per 1,000 lbs.)	\$224.18	\$170.87	\$181.12	\$191.99	\$203.50	\$215.71
Suspended Solids (per 1,000 lbs.)	\$484.93	\$350.30	\$371.32	\$393.59	\$417.21	\$442.24
Estuary Protection Charge						
All Customer Classes (% of WW Bill) ³	10%	N/A	N/A	N/A	N/A	N/A

Now is the time to
invest in our water &
wastewater future to:



Secure water
supply



Improve water
quality



Meet regulatory
requirements



Repair and
replace aging
infrastructure



Public Hearing

If you wish to protest the proposed water, wastewater, and/or water shortage rate increases, you must do so in writing prior to the close of the Public Hearing. Either the owner of the parcel or the person of record receiving the service for which the fee is charged may submit a written protest, but only one protest per parcel will be counted as provided by Government Code Section 53755(b).

Written protests may be submitted by mail to the Ventura City Clerk's Office at 501 Poli Street (Room 204) Ventura, California 93001, or in person at the Drop Box near the back entrance of City Hall at 501 Poli Street, Ventura, California 93001 (parking lot behind City Hall). City Hall is currently closed to the public due to the novel coronavirus (COVID-19) pandemic. All mailed written protests must be received (not postmarked) by the City Clerk no later than May 17, 2021 at 5:00 pm. Written protests submitted during the Public Hearing must be submitted to the Drop Box before the Public Hearing concludes. Any protest submitted via email, facsimile, or other electronic means will not be accepted as a formal written protest.

A written protest must include all of the following: (1) A statement that you protest the increase in water, wastewater, and/or water shortage rate(s); (2) Name of the record owner or customer of record who is submitting the protest; (3) Identification by street address or utility account number of the parcel with respect to which the protest is made; and, (4) Original signature and legibly printed name of the record owner or customer of record who is submitting the protest. A rate protest form is available at www.VenturaWaterRates.net. For any protest submittal, whether mailed or submitted in the Drop Box, please identify on the front of the envelope that the enclosed letter is for the public hearing on Proposed Water and Wastewater Rate Adjustments. Oral comments during the public hearing are welcome, but will not qualify as a formal protest.

The City Council will consider all written protests timely submitted and hear and consider all public comments made at the Public Hearing. If the City Council receives valid written protests from a majority of record parcels, the proposed rate change(s) will not be adopted. If less than a majority of valid written protests are received, the City Council will consider increasing the water and wastewater rates, to be effective on July 1, 2021, and each of the four years following.

Get Involved!



Virtual Community Open Houses
on Proposed Rate Adjustments

Learn more and share your input.



6PM on Monday,
April 19, 2021



6PM on Wednesday,
April 28, 2021



Ver en español. Escanee aquí para ver la Notificación de la Propuesta 218 sobre los Ajustes de Tarifas Propuestos para el Servicio de Agua y Aguas Residuales en español. Los clientes pueden solicitar una notificación impresa en español llamando al teléfono de Atención al Cliente de Ventura Water al (805) 667-6500

Learn more at www.VenturaWaterRates.net